

Amendment No. 2 to SB3099

**McNally
Signature of Sponsor**

AMEND Senate Bill No. 3099

House Bill No. 3027*

FILED

Date _____

Time _____

Clerk _____

Comm. Amdt. _____

by adding the following as a new, appropriately numbered section preceding the last two sections and by redesignating the subsequent sections accordingly:

SECTION (__). Tennessee Code Annotated, Section 12-4-109, is amended by inserting a new subsection (d) as follows:

(d) The procuring department or agency shall be responsible for the effective management of all contracts procured herein under its purview. Notwithstanding, the commissioner of finance and administration, in the manner consistent with the approval of regulations promulgated in Tennessee Code Annotated, Section 12-4-109(a)(1)(A), shall develop regulations that define service contracting fundamentals, including, but not limited to, contract management and monitoring of vendors, grants and subrecipient relationships. The regulations for monitoring shall, at a minimum, require the filing of the monitoring plan with the department of finance and administration before any contracts are approved.

AND FURTHER AMEND by adding the following new section immediately preceding the last two sections and by renumbering the subsequent sections accordingly:

SECTION _____. Tennessee Code Annotated, Section 12-4-109(b), is amended by designating the current provision as (b)(1) and by adding the following as subdivision (b)(2):

(2)(A) It is not required that this section apply to contracts to obtain services from managed care organizations (MCOs) or behavioral health organizations (BHOs) for the TennCare program, provided however, emergency

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purchases may be made consistent with the power and authority given the commissioner of finance and administration in this section. Such contract(s) shall be made under procedures submitted to and approved by the department of finance and administration and the comptroller of the treasury. Such procedures shall incorporate the basic principles of public contracting for state government as determined by the commissioner of finance and administration and the comptroller of the treasury to be appropriate. Such procedures:

(i) must be in writing and made available to any proposer as part of the selection process; and

(ii) the administering department, may include, but is not limited to, the selection of more than one proposer to provide the services based on state requirements and compliance with written criteria made available to the proposers, it being the intent of the legislature that competitive processes including bidding and proposals are acceptable but not required. It further being the legislative intent to provide maximum flexibility to the department of health and the department of finance and administration to deliver health care services to TennCare enrollees in an expeditious and efficient manner and for appropriate state oversight thereof.

(B) The commissioner of finance and administration is authorized to promulgate rules and regulations to effectuate this subsection and is authorized to promulgate such rules as public necessity rules pursuant to Section 4-5-209.